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SENATE BILL NO. 1417

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Transportation
on February 1, 2017)

(Patron Prior to Substitute—Senator Newman)

A BILL to amend and reenact § 5.1-2.16 of the Code of Virginia and to amend the Code of Virginia by adding sections numbered 5.1-2.2:2 and 5.1-2.2:3, relating to Virginia Aviation Board; commercial air service plan and use of funds.

Be it enacted by the General Assembly of Virginia:

1. That § 5.1-2.16 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding sections numbered 5.1-2.2:2 and 5.1-2.2:3 as follows:

§ 5.1-2.2:2. Commercial air service plan.

A. The Board shall develop and review every five years a commercial air service plan for commercial air service airports within the Commonwealth. In developing and reviewing such plan, the Board shall (i) analyze trends in commercial air service generally, (ii) analyze the current and projected future demographic and economic trends related to air travel needs in the Commonwealth, (iii) solicit input from other appropriate stakeholders, (iv) consider any other factors determined to be appropriate by the Board, and (v) establish reasonable goals for commercial air service based on clauses (i) through (iv).

B. In developing the plan pursuant to subsection A, the Board shall coordinate with each commercial air service airport.

C. Prior to the allocation of funds pursuant to subdivision A 3 of § 58.1-638, the Board shall ensure that any requested funds are not inconsistent with the Board's commercial air service plan and that no commercial service airport is penalized for not meeting goals set forth in such commercial air service plan.

§ 5.1-2.2:3. Transparency and accountability in the use of Commonwealth Airport Fund revenues.

A. By November 1 of each year, the Board shall report to the Governor and the General Assembly on the use of Commercial Airport Fund revenues the previous fiscal year. The report shall include at a minimum the following:

1. The use of entitlement funds allocated pursuant to subdivision A 3 a of § 58.1-638 by each air carrier airport, including the amount of funds that are unobligated;

2. The award and use of discretionary funds allocated for air carrier and reliever airports pursuant to subdivision A 3 b of § 58.1-638 by every such airport; and

3. The award and use of discretionary funds allocated for general aviation airports pursuant to subdivision A 3 c of § 58.1-638 by every such airport.

Such report shall also include the status of ongoing projects funded in whole or in part by the Commonwealth Airport Fund pursuant to subdivision A 3 of § 58.1-638.

B. Each year prior to the release of entitlement funds allocated pursuant to subdivision A 3 a of § 58.1-638, each air carrier airport shall submit a plan that outlines the planned use of such funds for the upcoming fiscal year to the Board for review and approval. The Board shall approve such plan provided that the use of funds is in accordance with Board policies. An airport may modify its plan during a fiscal year by submitting a revised plan to the Board for review.

C. The Board shall have the right to withhold entitlement funds allocated pursuant to subdivision A 3 a of § 58.1-638 in the event that the entitlement utilization plan is not approved by the Board or the airport uses the funds in a manner that is inconsistent with the approved plan.

§ 5.1-2.16. Grants or loans of public or private funds.

The Board is authorized to accept, receive, receipt for, disburse, and expend federal and state moneys and other moneys, public or private, made available by grant or loan or both, to accomplish, in whole or in part, any of the purposes of this chapter. All federal moneys accepted under this section shall be accepted and expended by the Board upon such terms and conditions as are prescribed by the United States and as are consistent with state law; and all state moneys accepted under this section shall be accepted and expended by the Board upon such terms and conditions as are prescribed by the Commonwealth. State moneys allocated pursuant to subdivision A 3 of § 58.1-638 shall not be used for (i) operating costs unless otherwise approved by the Board or (ii) purposes related to supporting the operation of an airline, either directly or indirectly, through grants, credit enhancements, or other related means.

In considering or evaluating the application for or award of any grant of moneys under this section, the Board shall take into account the capacities of all airports within the affected geographic region.